**CONTRACT AGREEMENT**

This contract agreement made on this .....day of .....Two thousand .....between Bangalore Electricity Supply Company Limited (BESCOM) having its Office at The Chief General Manager (Electy),Operations section, Corporate Office, BESCOM, K.R. Circle, Bengaluru (hereinafter referred to as a “Owner” or BESCOM which expression shall include its administrators, successors, executors and permitted assigns) on the one part and _____ (hereinafter referred to as the “Contractor” or “X” name of the Contracting Company, which expression shall include its administrators, successors, executors and permitted assigns) the other part.

WHEREAS BESCOM desirous of setting up of Repair center for the work of Repairs and Reconditioning of 11KV class single coil/multi coil Conventional (Aluminium wound) and 3,4,5 Star Rated failed Distribution Transformers of various Capacities from 25 to 250 KVA and Conversion of CSP to Conventional bolt & nut type on lumpsum Percentage (%) Rate basis (Material, Labour & Salvage) at Transformer repair center in _____, _____ as per its Tender Enquiry No: _____ Dated: _____.

AND WHEREAS _____ had participated and accepted LOI in the above referred tender enquiry vide their letter dated 26.01.2024 and BESCOM awarded the contract to _____ on Terms and Conditions of tender documents referred to therein, which has been accepted by _____ resulting into a "Contract".

NOW THEREFORE THE DEED WITNESSETH AS UNDER:

Whereas, the owner has issued LOI vide No. _____ dated _____ to _____ for the work of for Repairs and Reconditioning of 11KV class single coil/multi coil Conventional(Aluminium wound) and 3,4,5 Star Rated failed Distribution Transformers of various Capacities from 25 to 250 KVA and Conversion of CSP to Conventional bolt & nut type on lumpsum percentage(%) Rate basis (Material, Labour & Salvage) at Transformer repair center in **_____, _____** for extended period of one year from _____ to _____ under rate contract indicated in the **Tender No.** _____ subject to the specifications, terms & conditions contained therein & here under becomes part of this agreement.

**1.0 Scope of the Work :**

The Scope of the work involves Repairs and Reconditioning of Failed Distribution Transformers of various Capacities as detailed in the Clause No: 4.0 of Section I of IFB, Clause No: 1.0 of Section II of ITB and Conversion from CSP type to Conventional Bolt & Nut type DTR's as per Clause 16.04 of Section –II of ITB and as per the LOI consisting of unit rate of capacities from 25KVA to 250KVA (inclusive of GST).

**2.0 Additional conditions to the scope of work:**

**2.1** The AEE (O), _____ Division is solely responsible for supervising the repair activity and shall strictly monitor the quality of repairs at the _____ repair center.

**2.2** The AEE (O), _____ Division should compulsorily visit the repair center twice in a week and check the quality of repairs carried by the firm.

**2.3** All the repaired Transformers has to be tested at BESCOM Test benches located at respective Divisions without fail.

**2.4** The weekly report shall be submitted by AEE (O), _____ Division through proper channel to the corporate office.

**2.5** The AEE(O) shall inspect the raw materials purchased by the firm by verifying the purchase invoice & the Raw material test certificate.

**3.0** The following documents shall constitute the Contract between BESCOM and the Contractor, and each shall be read constructed as an integral part of the Contract

a. Detail Work Award (DWA)
b. This Contract Agreement
c. Letter of Intent (LOI)
d. Contractor's acceptance of Letter of Intent
e. Contract Performance Guarantee (CPG)

**3.1 Order of Precedence:**

In the even if any ambiguity or conflict between the contract documents listed above, the order of precedence shall be the order in which the documents are listed in Section 2.0 above.

**3.2** All the aforesaid Contract Documents shall form an integral part of this Contract Agreement and what has been specifically agreed to by the Owner/Contractor. Any matter inconsistent therewith, contrary or repugnant there to any deviations taken by the contractor in its proposal but not agreed to specifically by the Owner in its Letter of Award shall be deemed to have been withdrawn by the Contractor. For the sake of brevity, this Contractor Agreement along with its aforesaid documents shall be referred to as the 'Contract Documents'.

**4.0 Price & Price variation :**

No price variation is allowed and the price are fixed throughout the contract period/extended period of contract.

**5.0 Taxes & Duties :**

The Taxes and Duties shall be dealt as stipulated in the clause No. 12.0 of section III of GCC. All prices indicated in the LOI are inclusive of GST at 18%. If there is any change in GST, same shall be considered accordingly by obtaining the same from the GST cell on regular basis prior to prefer the bills for payment.

**6.0 Conditions & Covenants:**

The Scope of work, consideration, terms of payment, Price Variations, Taxes wherever applicable, Insurance, Penalties, liquidated damages, Performance Guarantee and all other terms and conditions are contained in bid document read in conjunction with other aforesaid Contract documents and agreement.

**7.0 Contract Period:** The Contract Period is for a period of 2 years. The contract period of one year is at first instance, and extendable for another one year based on the performance of the firm on renewal of currency at the discretion of BESCOM by executing the fresh agreement & the performance guarantee for further period of 33 months for the extended period of contract from the date of extension order.

**8.0 Quantity of Work:**

The quantity of work shall be carried out as stipulated in the Clause No: 12.0 of Section I of IFB.

**9.0 Surveillance by CCTV Camera:**

The CCTV cameras shall be provided for Surveillance as per Clause No.13.0 of Section –II of ITB.

**10.0 Payment:**

The payment shall be arranged as per Clause No. 17.0 of Section III of GCC.

**11.0 Issue of Work Award(WA), Repair & Delivery:**

Issue of Work Award, repair of faulty Distribution Transformer and return of repaired good transformer shall be carried as stipulated in the Tender Clause No. 24.0 of Section III of GCC and as per the Prevailing Circular/ guidelines for Distribution Life Cycle Management Software (DTLMS).

**12.0 Penalty:**

The Penalty shall be dealt as stipulated in the Clause No. 25.0 of Section III GCC.

**13.0 Infrastructure Required:**

The infrastructure to be arranged by BESCOM and the infrastructure to be arranged by _____ within 15 days from the date of DWA shall be as stipulated in the Clause 12.0 of Section II of ITB of bid document.

**14.0** Transportation of the faulty transformers from divisional stores to repair center, then repaired good transformers to BESCOM transformer test bench and back to divisional stores shall be carried out by the firm.

**15.0** Further, failed DTRs of capacities above 250KVA of rural jurisdiction of respective store will be sent to Central Stores, Bangalore through Department Vehicle after removing Transformers oils at respective Divisional Rural stores. CGM(Op) will allot the faulty transformers to the respective repair centers at Bangalore. The Concerned Circles of BMAZ North & South has to issue work awards for these diverted Transformers. The transformers repaired at the respective repair centers of Bangalore and should send back the repaired good transformers after testing by the committee to central store. The central store inturn should allot these repaired good transformers to any Divisional jurisdiction based on the requirement. The repaired good Transformers available at store/bank will be utilized for replacement of faulty Transformers. The transformers failed within guarantee period of such diverted transformers shall be sent back to central store and the procedure shall be followed. The records pertaining to the transactions shall be maintained at central store and respective stores. The WGP transformer transportation cost has to be borne by the firm of BMAZ North & South repair centers.

**16.0** In case there exists balance of more than 100 Nos. of transformers yet to be repaired at repair center due to the fault/delay attributable by the agency or in case of black listing and default of the said agency EEs of C,

O&M Divisions has to report the same to CGM(Op) section and CGM(OP) has the liberty to divert the next batch of failed DTRs to any of the repair centers in BESCOM based on request of EE, C, O&M Division. In such cases transportation of failed DTRs from respective Divisional Stores to repair center and repaired good transformers from repair center to respective Divisional Stores shall be arranged from Departmental Vehicle. Transportation charges incurred by BESCOM shall be collected/recovered from the default Firm.

**17.0 GUARANTEE PERIOD OF REPAIRED DTRs** :

The repaired transformers shall be guaranteed for satisfactory operation for a period of 18 months from the date of delivery to Divisional Stores, or 12 months from the date of commissioning whichever is earlier as described in the Clause No. 15.0 of section III of GCC.

**18.0 Insurance:**

_____ agreed to comply the insurance Clause as stipulated in tender document Clause No: 21.0 of Section II of ITB.

**19.0 Procurement of Materials:**

Transformer oil will be supplied by BESCOM. If not, the repairer shall purchase the transformer oil at prevailing SR rates with prior approval from Corporate Office to a minimum quantity of 2KL. Minimum test including Dissolved Gas Analysis / BDO has to be conducted from BESCOM side. The oil purchased by the firm shall be tested at RT Division, KPTCL and reports shall be documented. Invoice has to be produced along with the bill. Payment will be made as per prevailing SR rates.

The materials shall confirm to BESCOM/IS Standard shall be used and Raw Materials procured shall be inspected and the repaired transformers shall be tested by BESCOM officials as per the tender documents.

All the components utilized for repair and reconditioning of failed Transformers should be as per applicable IS standards and repairs shall be carried out under good workmanship.

The raw materials purchase invoice/test certificate shall be produced as and when sought and made available during inspection.

**20.0 Delivery:**

The repaired good transformers shall be delivered as per Clause stipulated in the tender Clause No. 24.2 of section III of GCC.

**21.0 Jurisdiction for repair of Transformers:**

- The jurisdiction for repairing of Distribution Transformers is accepted as fixed by BESCOM in DWA.
- The awarded agency also has to carry out the repairs of the assigned DTRs as per the directions of jurisdictional SEE’s of C, O & M Circles with competent approval of Corporate Office.

**22.0 Safety And Accidents:-**

The agency shall carry out the repair works safely with using all good safety equipments/measures as per Clause 19.0 of Section II of ITB.

**23.0** The Contractor will be responsible for any injury/accident that may occur during the contract or during the transportation/loading and unloading of DTRs etc.

**24.0** The breach of agreement of any clause or clauses as stated above is liable for termination of contract by giving one month prior notice by the concerned.

**25.0** The Firm has to submit the soft copy on video graphing of transformer repairs batch wise duly showing the name plate details of each transformers, PO/Award No & date and Batch No. of the transformers and to maintain CCTV cameras as per clause 13.0 of Section –II of ITB.

**26.0** _____ _____ has to submit the documents as per clause No.20.0 of Section –III of GCC.

**27.0** The Firm shall abide by the clauses pertaining to repairs, transportation, collection of transformers, insurance, performance guarantee, repair of transformers failed WGP, delivery, payment, penalty, testing of transformers, materials used, identification of repaired transformers and all other clauses specified in the tender.

**28.0** The BESCOM reserves the right for inspection of the premises of the repair centre at any time to ensure quality of repairs and materials used.

**29.0** The acceptance of contract shall rest with the BESCOM and BESCOM reserves the right to accept / reject any contract without assigning any reason whatsoever.

**30.0** If it comes to the knowledge of BESCOM that the contractor is a defaulter or black listed in any KPTCL/ESCOMS, BESCOM reserves the right to terminate his contract without prior intimation/without assigning any reasons.

**31.0** If the information furnished by the _____ is found to be false at any stage of execution, then BESCOM at its discretion may take action against _____**.** If false information is found at execution stage then BESCOM may cancel the works awarded, forfeit the Bank Guarantee furnished against the performance of the contract, Black list the Firm , besides initiating action for recovery of excess money paid by BESCOM, if any, after getting the works executed from other contractors, levy liquidated damages /penalty etc.,

**32.0 Force Majeure**

As per Clause 34.0 of Section III of GCC of bid document.

**33.0 Jurisdiction of Contract**

As per Clause 35.0 of Section III of GCC of bid document.

**34.0 Termination of Contract**

The Contract will be terminated as per the terms & conditions specified in clause 31.0 of Section III of GCC of bid document.

**35.0** The period of this contract (Agreement) will be valid for one year from 15.02.2025 to 14.02.2026 in all respects as per the terms & conditions of the tender.

**36.0 Performance Guarantee**

A Performance guarantee in the form of Bank Guarantee at **Rs. _____ /- (_____ only)** towards security for the performance of repairing transformers valid for period of 33 months from the date of **LOI No _____ dated _____** obtained by the contractor from **M/s** _____ vide extended **BG No: _____ dated** _____ issued by _____ for Rs**. _____ /- valid up to** _____.

**37.0 Bankruptcy:**

If the contractor shall become bankrupt or otherwise insolvent or have a receiving order made against or compound with other creditors, or being a Corporation, commence to be wind up, not being a voluntary winding up for the purpose only of amalgamation/reconstruction, or carry on its business under a receiver for the benefit of its creditors or any of them, BESCOM will be at liberty to terminate the contract forthwith by notice in writing to the contractor may become vested and BESCOM reserves the right to encash the Contract Performance Guarantee.

**38.0 Confidential information:**

BESCOM and the contractor shall keep confidential and shall not, without the written consent of the other party here to, divulge to any Third Party and documents, data or other information furnished directly or indirectly by the other party hereto in connection with the contract, whether such information has been furnished prior to, during or following termination of the Contract.

**39.0 Contractors staff and their conduct:**

The contractors on award of repair work shall deploy qualified professionals as required for executing this repair work. The terms and conditions regarding the Contractor’s staff and their conduct are as below:

The Contractor on award of repair work shall deploy qualified professionals as required for executing this repair work. If at any time the repair work is materially delayed by contractor and in the reasonable opinion of BESCOM, any additional, qualified, experienced professionals are considered necessary to timely complete the repair work, they shall be deployed by the contractor without any additional charge, subject to the provisions regarding delay of extension. The contractor shall ensure

competent and efficient supervision of the services to the satisfaction of the BESCOM.

The contractor shall be solely responsible for the proper behavior of his employees and staff employed by him/deputed by him to provide consultancy services.

It is made clear that no relationship of BESCOM and employee is created between the BESCOM and the Contractor's employees and no claim of employment of any such personal shall be tenable or entertained.

**40.0 General terms and Conditions:**

The contractor shall not assign or transfer the Contract or any right or interest therein in violation of the provision of Contract Agreement.

**41.0 LAW, JURISDICTION, DISPUTES RESOLUTION AND ARBITRATION:**

a. A party claiming that a Dispute has arisen under this Agreement must give the other party a written notice of the particular of the Dispute
b. Any dispute(s) or difference(s) arising out of or in connection with the Contract shall, to the extent possible, be settled amicably between the Parties.
c. If the party fails to resolve such a dispute or difference, either party may require that the dispute be referred to arbitration under the Arbitration and Conciliation Act 1996 (Indian) and subsequent Amendments made thereon, to be adjudicated by a sole arbitrator to be appointed by mutual agreement of both the parties and the award of the arbitrator shall be final and conclusive and the award of the arbitrator shall be final and conclusive and binding upon both the parties. (The date of commencement of the dispute shall be taken from the date when this clause reference is quoted by either party in a formal communication clearly mentioning existence of dispute of as mutually agreed).
d. The place of arbitration shall be in Bangalore. The arbitral procedure shall be conducted in English language.
e. The cost of arbitration including the fees of arbitrator shall be borne by both the parties equally.
f. During the settlement of disputes and arbitration proceedings both parties shall be obliged to carry out their respective obligations under the contract.
g. The award of the arbitrator shall be final and conclusive and binding upon the parties.
h. The courts of Bangalore only shall have the exclusive jurisdiction to deal with any issues arising out of this agreement.

**42.0 Compliance with Laws and Regulations:**

The laws and regulations which are applicable to the contractor and under which the Contract is to be constructed shall be Indian Laws and

Regulations. The other terms and conditions regarding compliance with laws and regulations are as below:

The contractor shall, in all matters arising in the performance of the Contract, comply with all respects, give all notices and pay all fees required by the provisions of any national or state stature, ordinance of other law or any regulation or by-law of any duly constituted authority.

The contract shall adhere to the statutory provisions under payment of Minimum Wages Act, Contract Labour (Regulation & Abolition) Act, Employee's Provident Fund & Miscellaneous Provision Act, Employees compensation Act, Right to information act, and other relevant statutes. All liabilities arising out of the non-compliance of the Law of the Land by Contractor or its BESCOM will not be responsible in any manner whatsoever for the same.

The contract shall in all respect be construed and interpreted in accordance with the Laws in force in India, including any such Laws passed or made or coming into force during the period of the contract.

**43.0 Severability:**

Should any provision(s) of this Contract Agreement be held invalid or unenforceable in any respect that provision shall not affect any other provisions and this contract Agreement shall be construed as if the invalid or unenforceable provision had not been included.

**44.0 Entire Contract Agreement:**

No modification, alteration or waiver of this contract agreement or any of its provisions shall be effective unless in writing signed by both the parties.

**45.0** All other tender conditions, specifications & annexure which are not covered in this agreement are to be read and is agreed with respect to the conditions mentioned in following documents

a) Bid documents of Tender No. _____ dated _____ consisting of Volume – I, Section – I of 'IFB', Volume – I, Section – II, of 'ITB', Volume-I Section-III of 'GCC', Volume – III of Technical Specifications along with subsequent amendments issued by this office.
b) Letter of Intent issued vide No. _____ dated _____ with Terms and conditions.
c) Roles and responsibilities of newly created Transformers testing center OM vide _____ dated _____
d) DTLMS Circular No. _____ dated _____
e) DTLMS Circular No. BESCOM/CGM(O)/DGM(Op-1)/AGM(op-3)/AE-1/ 20-21/CYS-142 dated 17.02.2021.
f) Circular No. _____ dated _____
g) Any other related orders issued by Corporate office from time to time

IN WITNESS WHEREOF, the parties have executed these presents on the day, month and year first above mentioned at Bengaluru.

**WITNESSES:**

1. ..... ...

(Owner’s signature)
(_____)
(Chief General Manager (Electy.))
(BESCOM’s stamp)

2.....

1. ..... ...

(Contractor’s signature)
(_____)
(Proprietor)
(Company's Stamp)

2..... .....